



State of South Carolina Office of the Governor

MARK SANFORD
GOVERNOR

POST OFFICE BOX 12267
COLUMBIA 29211

July 29, 2010

Dear Agency Director,

Over the last few years, most agencies have confronted significant challenges in their budgets. Unfortunately, these challenges appear likely to continue as the state will lose roughly \$1 billion in various types of federal stimulus funds that have been included in the last two Appropriation Acts. During these lean budget years, it is particularly important that state government focus its scarce resources on funding core functions. For this reason, we are once again seeking to prioritize spending in a way that provides maximum efficiency to the taxpayers of South Carolina.

Enclosed are budget planning forms for FY 2011-12 that are in the format that we'd ask you to use. These forms serve to notify us of new funding requests you may have during the upcoming fiscal year. Once again, we are asking you to provide us with budget savings equal to the new request for spending. In other words, if you ask for \$1 million in a new program, we'd ask for a corresponding \$1 million savings suggestion at your agency.

Additionally, we would again ask that your agency identify how it would implement a 15% reduction to your FY 2010-11 base appropriations. While we understand that this is not an easy task, unfortunately, given the current economic circumstances it is necessary to prepare for a scenario where revenue estimates continue to fall and further cuts are required.

We would also request that your agency list any activities that it performs that are duplicative with activities performed by other agencies.

Finally, in the event that that your agency was going to be merged with another agency, please identify the agency – or agencies – that you believe would be best equipped to merge functions with your agency. In some instances it might be appropriate for different functions within your agency to be transferred to more than one agency.

Please complete these forms and submit them to the Office of State Budget no later than September 3, 2010. Thanks again for your hard work on behalf of South Carolinians. Take care.

Sincerely,

A handwritten signature of Mark Sanford, consisting of a stylized 'M' and 'S'.

Mark Sanford

Enclosure